

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 938 - HB 1085

March 6, 2013

SUMMARY OF BILL: Establishes the Tennessee Entrepreneur-in-Residence Act of 2013 in the Office of the Governor. Authorizes the Governor to appoint one or more entrepreneurs-in-residence to any state department each year; however, such appointments cannot exceed 10 during any given year. Prohibits the Governor from appointing more than two entrepreneurs-in-residence to positions in the same department during the same year. Requires the entrepreneur-in-residence to report directly to the Commissioner of the Department to which the entrepreneur-in-residence is appointed and for the Department of Human Resources (DHR) to determine the appropriate salary. Prohibits the Governor from appointing an entrepreneur-in-residence to a term that extends beyond June 30, 2016.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$1,343,700/FY13-14
\$1,343,700/FY14-15
\$1,343,700/FY15-16

Assumptions:

- According to DHR, given these employees would report directly to the Commissioners of each respective department, the appointees would be compensated at the same rate as an assistant commissioner. The salary range for an assistant commissioner is \$6,230 to \$12,378 per month, with the mid-point salary of approximately \$9,300 per month.
- The average monthly salary is \$111,600 (\$9,300 x 12 months). Estimate assumes the Governor will appoint 10 entrepreneurs-in-residence each year for three years resulting in a recurring cost of \$1,343,727.60 per year that includes salary (\$111,600), benefits (\$16,773.48), and insurance (\$5,999.28) for each position.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

/lsc

SB 938 - HB 1085